Forest Governance in the 21st Century: Resilient Forest Communities, Landscapes, and Agencies

SYNOPSIS

October 22-25, 2012
Hotel Santa Fe, Santa Fe, New Mexico, USA

Hosted by:	US Forest Service, USA
In cooperation with:	Rights & Resources Initiative
Co-chairs of MegaFlorestais 2012:	Tom Tidwell, Chief, US Forest Service Tasso Azevedo, Senior Advisor, Ministry of Environment, Brazil Sally Collins, Former Associate Chief, U.S. Forest Service
Facilitator:	Andy White, Coordinator, Rights & Resources Initiative

Executive summary

MegaFlorestais 2012 was co-hosted by the United States Forest Service, in cooperation with the Rights and Resources Initiative. Twenty-one delegates came from Brazil, Cameroon, Canada, China, Indonesia, Mexico, Peru, and the USA. Last minute circumstances prevented delegates from the Democratic Republic of the Congo, Russia, and India from participating. Five resource advisors also participated in the meeting: Don Roberts (Vice Chairman and Managing Director, CIBC World Markets Inc., Canada), Vicky Tauli-Corpuz (Executive Director, Tebtebba, The Philippines), Doug Konkin (Deputy Minister of Forests, Lands and Natural Resource Operations, Government of British Columbia, Canada), Lou Munden (Chairman, The Munden Project), and Avrim Lazar (Former President and CEO, Forest Products Association of Canada).

Meeting in the culturally rich state of New Mexico, participants focused this year's MegaFlorestais on *Forest Governance in the 21st Century* and how to achieve resilient forest communities, landscapes and agencies.

This year's discussions touched on a large number of critical topics for the forest sector:

- Market and climate trends affecting forests globally,
- Concerns, positions and plans of local peoples and the forest industry,
- Innovative approaches to climate resiliency and restoration across ownerships & landscapes, how to deal with the effects of wildfires,
- Community management of natural resources, specifically looking at the forest management of the Santa Clara Pueblo and New Mexico's acequias[1],
- Strengthening forest agencies: changing roles & transforming bureaucracies to improve impact.

The following key messages for forest agencies emerged from discussions:

1. Forest agency leaders must be good negotiators and must work across government sectors, especially energy, environment, and agriculture as the quest for land for food, fuel and fiber intensifies.
2. It is critical for forest leaders to be proactive, keep a long-term perspective and broaden agency action beyond forestry. A focus should be placed on promoting forest development and on influencing politicians and opinion leaders.
3. Due to climate change negotiations, forests have been given a prominent role. Forest agencies should better capitalize on that opportunity.
4. This annual meeting started a discussion about how should the forest agencies of the future be: much more discussion and innovative thinking on rethinking the forest agencies and natural resources institutions is needed to achieve more effective institutions.
5. Leaders recognized and endorsed that fair and secure tenure is prerequisite for effective forest governance, and forest tenure reform is a priority step in most developing countries.

[1] An acequia is a community-operated waterway used in Spain and former Spanish colonies in the Americas for irrigation. In the United States, the oldest acequias were established more than 400 years ago; many continue to provide a primary source of water for farming and ranching ventures.

6. Leaders showed great interest in innovation forest organizational designs that helped break down agency "silos", and helped forest agencies respond quickly and effectively to emerging issues.
7. Much discussion focused on the pace of change and the need to experiment and act strategically to be effective in this dynamic environment.
8. Creative financing is possible beyond climate and REDD financing, and the appetite for exploring more creative public/private partnerships is great. Leaders wanted to know what incentives government could institute that would attract capital into forestry and strengthen the sector. Generally, the group acknowledged that the forestry sector could and likely will be more powerful in the future, but not through the traditional forest products markets (at least as currently managed), but in new products including the suite of different biofuels and bio products.
9. The annual MegaFlorestais meetings continue to be important to country leaders as no other venue offers this opportunity for candid discussion and exchange of ideas. Building leadership for the next generation of forest leaders is critical.

Background

MegaFlorestais[2] is an informal network of public forest agency leaders dedicated to advancing international dialogue and exchange on transitions in forest governance, forest industry, and the roles of public forest agencies. The group includes the heads of forest agencies of the largest forested countries in the world, and provides the opportunity for these leaders to share their experiences and challenges in a frank, open and technical manner.[3] The process aims to foster stronger relationships between forest agencies, collectively strengthening their abilities to play leading roles in addressing forest governance and sustainable forestry issues.

The idea to create the group originated in a meeting in Beijing in September 2005 when the Rights and Resources Initiative co-organized a conference on public forest reform with the Chinese Center for Agriculture Policy. Leaders from Brazil, China, the USA, and Mexico participated in this session and agreed to continue the collaboration by creating the MegaFlorestais network. They invited the Rights and Resources Initiative to facilitate and coordinate the organization of the meetings.

The group is co-chaired by Sally Collins, former Associate Chief of the US Forest Service and former Director of the US Department of Agriculture Office of Environmental Markets, and Tasso Azevedo, former Director General of the Brazilian Forest Service. The Rights and Resources Initiative continues to function as MegaFlorestais' secretariat.

This year was the seventh annual meeting of MegaFlorestais.

[2] MegaFlorestais – a Portuguese phrase that translates to "those with the greatest forests."

[3] MegaFlorestais meetings encourage free and open conversation following the Chatham House Rule (participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed).

Summary of the global scan

One of the highlights of MegaFlorestais each year is the Global Scan, a session on global trends affecting forestry. This year, our resource people, Lou Munden and Don Roberts, each provided an overview of trends as they see them. The presentations were followed by a group discussion. A short synopsis is provided here:

Lou Munden - *Living in a "fat tail" world: Implications for investors and forest agencies*

Lou Munden explained that over the last 50 years, unexpected *fat tail* risk events occurred 5.3 times more frequently than expected.[4] This can be explained by 5 macro trends: changes in the way we access and understand information (inability to process it); in the population growth (consumer growth has exploded); in energy use (scarcity and inefficient use); in our capacity to create and destroy capital (increased volatility); and climate change.

Lou used several examples to show how the combination of those 5 macro trends often leads to a reality that is not encouraging sustainable forest management and secure land rights. For instance, now that consumer demand is high and that we know more about climate change and forest management, sustainable forestry should be generating a lot of interest. Unfortunately capital markets are experiencing such volatility that long-term assets are hard to invest in. If forest agencies get more actively engaged, there is a real chance to reverse these trends. What is missing are clear signals from governments and public investments to encourage private capital to engage in a different way.

Don Roberts - *Global Trends for Investments in Forests, Forest Products & Energy*

Don Roberts focused his presentation on the rising demand for timber. The 3 key reasons are:

1. Rise in Asia's wood fiber deficit: China's timber deficit is currently over 160 million m^3 and will likely exceed 200 million m^3 by 2015. China is now investing in forest resource companies all over the world. In other Asian countries, the timber deficit is also expected to grow.
2. Decline in the relative supply of recovered paper (RCP): since 1990, the consumption of RCP has increased by 140% (compared to only 15% for the consumption of virgin pulp). RCP now accounts for more than 50% of the fiber consumed by the global paper and board industry but a global shortage is expected as the reduction of waste paper is occurring fast. It means the RCP prices and demand for timber will increase.
3. Growth of the bio-economy sector: all major economies are increasing their investments in biomass projects and are setting ambitious national targets (especially the European Union and China). Most of them are currently on hold due to the economic and policy uncertainty. However, if governments wanted to maintain their CO2 emission/bio-energy/bio-fuels targets, we would be facing a high demand for biomass. 14 second generation biofuels projects will start in the next 2 years: we will learn a lot from those in the coming months.

[4] Fat tails are a statistical distribution phenomenon. Most people who are familiar with the basic bell curve will be able to visualize the fat tails as a bell curve with the opening of the bell stretched out—making the opening fatter. Fat tail events are those that stray widely from the average, giving more frequent high and low averages.

Discussion

The discussion centered around making new investments in a secure forest sector viable. A new approach should be promoted that would share costs and create a mechanism to handle conflicts. Several trends and phenomena were discussed:

1. Biomass is advantageous because it offers a reliable, consistent supply (compared to wind/sun) and creates more value than just electricity (i.e. chemicals).
2. The best way to use fiber for energy is to create a complex of facilities producing a composite of products thus lowering risk and diversifying job growth.
3. New markets can be created such as in nanotechnologies, which will increase the demand for wood supplies and decrease the uniqueness of northern soft wood.
4. Ensure a growing demand for Sustainable Forest Management (SFM) by developing third party certification, transparency, and clearer property rights.
5. Small amounts of capital can have great impacts given the volatility of funding.

Key Themes and Challenges Discussed

➢ Chief Tom Tidwell: How the US Forest Service has Transformed over 100 years

Chief Tom Tidwell highlighted the US commitment to sustainable forest management (SFM). He defined the mission of the U.S. Forest Service as "helping our citizens sustain the ability of their forests, both public and private, to deliver water and other ecosystem services, both for people today and for generations to come". Major challenges have emerged with climate change: 48% of the watersheds on the national forests have low to moderate functional integrity and 42% of the national forest lands need restoration. The Forest Service is consequently focusing on ecological restoration and ecosystem resilience at a landscape-scale and is likely to meet its target of restoring 150 million hectares of forest land by 2020. All the stakeholders have been involved to achieve that goal.

The US Forest Service is also promoting a green economy and looking to ways to promote the use of wood as a renewable resource (construction, nanotechnologies, bio-energy, etc.). It is also investigating new approaches to protect land (Land and Water Conservation Funds, conservation easements, PES).

Chief Tidwell mentioned the cultural transformation which occurred within the forest service: a bigger focus on developing new skills (like collaboration, public speaking, planning, mediation, and thinking "outside of the box"), inclusion, both in the workforce and in the communities they work with, and encouraging diversity and minorities in the workforce.

Discussion

Chief Tidwell estimated that 300 million dollars in firefights costs was avoided in 2012 due to forest restoration efforts. He confirmed that the US Forest Service identified itself as a conservation agency, and that there is a need to do more harvesting, even if the market for wood is currently almost nonexistent. Other comments suggested to engage more with insurers who should be a very receptive audience.

- **Perspectives of Local People and Industry: Concerns, position & plans**
  - **Avrim Lazar - Geopolitical Shifts Affecting Forests, Communities, Industry & Trade**

According to Avrim, 3 features are defining our world: the intensity of inter-connectedness, the speed of change, and the depth of inequalities. This has a direct relevance to the forest sector: a new forest management system is needed. Public forest managers historically use a reactive approach, instead of an anticipatory one. This makes the anticipation of future challenges and demands very difficult, if not impossible. Our public policy systems are outdated and not designed to solve the kind of problems we face today.

Avrim outlined how the dependence on forests will intensify in the future for storing carbon, sustaining biodiversity and ecosystem services, sustaining forest dependent communities, stabilizing watersheds, supporting a new green economy, including providing fiber for pulp, energy, chemical fuel, etc. These competing demands will be hard to reconcile, and forest agencies are not well positioned to intervene. Innovation could help (i.e. nanotechnology, breeding, genetic modification) but progress not only depends on available technology but on collective will and our capacity to respond to these approaches in a timely way. In any case, it is essential that research into these technologies continue so long as they are used wisely and social "fairness" is ensured.

Avrim is optimistic that the Internet can be an effective tool in sharing ideas and, most importantly, in creating a sense of a community of those who care about the environment and poverty alleviation. He even envisions an "environmental spring" similar to the "Arab Spring" of 2011— a global movement along the lines of "Save my commons". He reiterated that "radical problems require radical solutions" and public agencies are now well positioned to effectively participate or even lead such movements.

Discussion

The leaders of forest agencies should focus more on scenario planning based upon projections to be more prepared when a crisis hits (i.e. Mountain pine beetle) or when big shifts materialize themselves (focus on climate change, energy, pressures on land, pushback by local communities, etc.). It is essential to put leaders in a position to make the right policy decisions and help communities make the necessary adjustments.

Others discussed the need for courageous leadership to create an environment that allows for mistakes to be made in pursuit of new ideas and approaches, that only in this way can real break-through in technology, markets and forest science be realized.

- **Vicky Tauli-Corpuz - Global Perspectives from Indigenous Peoples**

There are almost 60 million Indigenous Peoples who are entirely dependent on forests for their livelihoods. They often lack tenure security and their lands are claimed by state, agro-industrial, timber and mining concessions, as well as developers. There is an absence of effective mechanisms for managing those conflicts, and Indigenous Peoples lack instruments to fight back and be more involved in decision-making processes related to their lands and resources. This situation explains why over 1 billion of the world's poorest live in forest areas and are facing issues such as corruption, lack of public services and respect for property rights. A study showed that in the past 20 years, land was a key driver of conflicts occurring in forest areas in 30 tropical countries.

Indigenous Peoples are getting more organized and their voice is getting stronger, with new UN mechanisms that have been approved in recent years. We have also witnessed an increased number of

tenure reforms promoting community tenure regimes since 1992 but there is still a lot to be done at the international and national scale to promote a greater recognition of their rights (i.e. promotion of community participatory mapping, resource inventory, implementation gap).

The upcoming challenges for governments include: conflict management and resolution, development of partnerships with indigenous peoples instead of excluding them, enhancement of Indigenous Peoples capacities to adapt and mitigate climate change, and development of enabling conditions to promote forest local economies.

Discussion

Agencies must consider who benefits from the current systems of forest management. Indigenous Peoples deserve clearer recognition as they will still depend on forest in ten years even as bureaucracies change.

- **Paula García - Land Grant Communities[5] and Acequia Organizations: Rights & Challenges**

Paula García represents the New Mexico Acequia Association, a state-based grassroots organization which gathers 200 community acequias[6]. Throughout history New Mexico's communities have evolved and adjusted under the successive rule of the Spanish, Mexican and US governments. They have faced displacement and the privatization of their common lands. Out of 200 land grants, only 25 were not privatized. But communities are now organizing themselves to defend their historic rights to natural resources and are working with local authorities to keep their traditions alive. It is not an easy task but local communities want to get involved and contribute to forest restoration.

Discussion

It is important for government institutions to be more flexible in their dealings with local communities as it is in both their interests to collaborate. It is essential for those communities to build their capacities so they can be more prepared to discuss issues with local authorities.

In Mexico, some government structures have created participatory platforms to enable constructive discussions between communities, government agencies and other organizations. It has proven to be an excellent way of finding common ground.

Policies should be formulated to respond to the concerns of local communities as well as to pursue long run market opportunities. It is crucial to communicate policies effectively to local communities and create platforms that engage and solicit input from all stakeholders. In addition to forestry issues, communities face other challenges affecting land, including water development, mineral production, and agriculture. So while communities can work with forest agencies, forestry ministries have more budget constraints than others, particularly agriculture. Successful rural development policies will be produced from the alignment and effective coordination among multiple ministries, only then will better management across landscapes and ownerships be realized.

Distrust and competition exists among local communities, various levels of government and the private sector, but solutions require collaboration across sectors. Governments need to understand that command and control policies are detrimental to forest development. The solutions to rural poverty and deforestation will not appear until we create incentives that stimulate the development of forest

[5] Land Grants were made to individuals and communities during both the Spanish and Mexican periods of New Mexico's history.
[6] See footnote 1.

activities.

Forest agencies should also connect local communities to markets. Agencies also need to consider the economic, environmental and social roles of the forests.

In the context of climate changes negotiations, the growing focus on forests over the last 20 years presents a new opportunity.

- **Innovative Approaches to Climate Resiliency and Restoration Across Ownerships & Landscapes**
  - **Lou Munden - Innovative Finance to Encourage Forestry & Development**

Lou Munden presented an approach for financing sustainable land use which converts large numbers of loans for forestry, agroforestry and agriculture into viable securities by taking advantage of the exchange rate variability to capture long-term value for investors. This system could be operational in 2018 and will be released into the public domain. It is expected to produce high-interest, low risk securities while delivering loans to sustainable producers. This idea comes from an observation: we need to focus more on the forestry's benefits to sustainable development (greater food security, better economic development of rural areas and a positive impact on climate change). But this will not happen without the support of governments and private sector's investments. Currently, the development of community forestry enterprises is hampered by a lack of access to credit and finance, as well as infrastructure. Lower payment amounts for loans, a flexible schedule and longer amounts of time are needed and could be created by a different approach which would bridge the gap between investors and producers. But the key to success is to have the public sector's support by the creation of a credit enhancement fund that would cover investors and good governance structures.

How would this be viable? Interest rates are so high that they can be lowered while still offering a high return to investors while reducing the value at risk because it uses a highly diversified portfolio.

Discussion

Secure land tenure is vital to proposed investment strategy; the investor must be certain the loan recipient has legal right to the land and is secure in his or her ownership. The lack of expertise in development banks is a challenge to implementation. Another problem discussed is the lack of incentives in the forest sector. 3 major ways of gaining capital in forestry were mentioned: capture "stimulus" money, find new markets and be open to new business partnerships (i.e. with companies producing energy and chemicals), and focus on Ecosystem Services.

Others pointed to challenges ahead: stability in forest leadership; the social and political will to "act", particularly on the harder, underlying issues of tenure reform; the need to develop policies on the landscape scale; the necessity to bring landscape scale land use to the global development agenda. Each country has its own reality to face, economically, socially and politically, yet so many challenges are universal.

  - **Laura McCarthy - Working with the US Forest Service and the Meaning of Partnership**

Laura McCarthy works for The Nature Conservancy (TNC) whose mission is to conserve land and water around the world[7]. In the USA, forests are facing a range of problems: wildfires, pests and diseases,

[7] The mission of The Nature Conservancy is to conserve the lands and waters on which all life depends. To achieve this mission, TNC works with a diverse staff (550+ scientists, located in all 50 U.S. states and 33 countries); collaborates with many partners, from individuals and governments to local nonprofits and corporations; and use a non-confrontational, collaborative approach.

forest loss, and climate change. TNC owns and/or manages 2% of the forests in the US and is working closely with the Forest Service, universities, local authorities, communities and private landowners to achieve restoration at the landscape scale. They collaborate with the US Forest Service and the State and Tribal governments on several initiatives: a fire learning network (gathering community and agencies to convene planning efforts, improve community capacity to live with fire and leverage learning), climate and landscape adaptation, ecosystem resiliency, collaborative forest landscape restoration.

Discussion

The question is: how to increase scale for treatments to be more effective (esp. in the case of wildfires). The key is to bring everybody together and all agree on a coordinated action on our lands. TNC has been a facilitator of that process.

➢ Community forestry management - Field trip

The group went to Santa Clara Pueblo in the Jemez Mountains where it was welcomed by the Governor of the Pueblo, Walter Dasheno. It is one of the oldest occupied settlements in the US and is now a federally recognized tribe. Governor Dasheno shared the Pueblo's struggles to survive for centuries and maintain its culture and traditions. Santa Clara Pueblo was the first Pueblo in the Southwest region to obtain the right to self-governance in the 1990s[8] and they are now able to manage their natural resources and created a forest management department. They have set high quality standards to ensure water quality and are conducting activities on forest restoration, fuel reduction, fire suppression, disease management and wildlife protection. They are working in close collaboration with the federal and state governments, local authorities and pueblos to build their technical capacity and have an impact at the landscape level. Their financial resources come from their business activities (casino, hotel, golf course, etc.), tourism and natural resources (fishing and hunting permits).

Unfortunately, several major fires and flash floods occurred in the last decade and are leaving their marks on the landscape. In 2011, 15.5 thousand acres (~6 thousand hectares) burned in the Las Conchas Fire (which started in the nearby state forest) and badly damaged the Santa Clara watershed. The group visited the devastating impact of the fire on the watershed. This fire affected much of the traditional hunting and gathering, as well as cultural and spiritual sites on the pueblo. MegaFlorestais leaders were impressed by the Pueblo governance system, the way they are managing the forests, and how they faced adversity. In particular, the group was impressed by the generous and expansive approach taken by the tribal members towards the US Forest Service, where the fire started. Despite the impacts to their way of life, the tribe continues to work collaboratively with all of their partners, including the US Forest Service.

[8] Self-Governance is fundamentally designed to provide Tribal governments with control and decision-making authority over the Federal financial resources provided for the benefit of Indian people. It provides, administratively, the opportunity for Tribal governments to exercise their sovereignty with minimal Federal intrusion and involvement. Self-Governance fosters the shaping of a "new partnership" between Indian Tribes and the United States in their government-to-government relationships. Tribes that do not benefit from this status rely on the US federal government (Bureau of Indian Affairs) to manage their operations and finances.

After visiting the Pueblo's ancestral village, Puye Cliffs, the group heard a presentation on the Payment for Watershed Services (PWS) in the Santa Fe watershed. Sandy Hurlocker, Española District Ranger of Santa Fe National Forest, and Laura McCarthy, The Nature Conservancy, gave the presentation. In the early 20th century, the watershed was vulnerable to floods and poor water quality because of multiple land uses which became prohibited in the 1920s. By 2000, the forest was so overgrown that Santa Fe got worried about wildfires and started a vast federally funded thinning project. The city wanted to maintain the investment in forest restoration and find sustainable funding to pay for controlled burning into the future, but was unclear how to do this. The Nature Conservancy proposed the creation of a water source protection fund (very popular in Latin America) that would be partly financed by Santa Fe inhabitants. The community showed their support to the idea and the fund will be created shortly. This has since become a model for other watersheds throughout the Southwest.

- **Innovative Approaches to Climate Resiliency and Restoration Across Ownerships and Landscapes**
  - **Andy White - Tenure Security & the Challenge of Protecting Forests at Scale: The Global Tenure Facility**

Andy White gave the group an update on forest tenure worldwide and explained that progress was underway. A recent study by RRI[9] showed that many laws on community and indigenous peoples' forest rights passed since 1992. The area owned or managed by communities and Indigenous Peoples increased from 21% in 2002 to 31% in 2012 in developing and middle income countries. However, there is an implementation gap and it is hard to know if those legal changes have had an impact on the ground. What we know is that overlapping and insecure land rights are still common, they are a driver of many global crises, and existing international organizations are not dealing with it. There is a need to dramatically raise the level of political and financial commitments to the implementation of tenure reform.

RRI is considering several new initiatives: an International Forest Tenure Facility to leverage greater commitment and investment, and a Global Summit on securing community land rights in rural/forest areas. The International Forest Tenure Facility idea emerged from national REDD+ Strategies and the widespread demand for tenure reform; there is clearly not enough funding available to meet the demand for the resolution of tenure. One of the main challenges will be to convert the flows of private finance and major emerging government banks and sovereign wealth funds into support for tenure reform. A public private partnership would be a natural solution: it would provide funding for tenure reform projects proposed by governments, Indigenous Peoples, and civil society, while providing opportunities for investors to reduce risks and contribute to recognition of rights.

  - **Corbin Newman - Restoration, Jobs, Challenges in the Southwest of the United States**

The forests in the Southwest are unhealthy and facing many challenges, including fires (in 2011 alone, over 477,000 ha of national forest lands burned), as well as growing population, and climate change. Forests have a social, cultural and economic role but achieving landscape restoration is not an easy or cheap task (treatment costs are $1,200/hectare). Some questions remain: how to deliver restoration effectively? How to prioritize and get support for landscape projects?

[9] RRI. 2012. What rights? A comparative analysis of developing countries' national legislation on community and Indigenous Peoples' forest tenure rights. Washington DC: Rights and Resources Initiative.

- **Juan Manuel Torres-Rojo - Restoration & Poverty Alleviation Across Landscapes and Communities**

In Mexico, about 45% of the total land area is under some kind of degradation (mostly physical and chemical degradation, or water and wind erosion); 51% of the country is under social ownership with about 21,000 ejidos and communities owning forest lands. The National Forestry Commission carries out many activities with a focus on reforestation (2.2 million hectares have already been reforested in the last 5 years), soil conservation and restoration (511,000 hectares will be covered), priority watersheds (PES, promotion of landscape management, alternatives for increasing local employment and income). In its restoration and conservation activities, CONAFOR measures its impact through multiple levels of analysis: community, landscape, state and federal. This well rounded approach improves the efficiency of government resources and clarifies forest incentives, response capacities, and social and environmental impacts.

Discussion

There was some discussion on the role of PES: should PES systems be used more as a voluntary incentive approach rather than a governmental program? Lou Munden noted one problem with environmental assets: it is not a real, tradable, asset. In the case of the Santa Fe watershed, the community was "buying" a reduction of risk (of forest health problems, wildfire). He pointed out that it might best be thought of as a tax or framed as an "insurance" product. Discussion continued around how insurance companies recognized fuel reduction activities in their fee structures. In general, Lou agreed that the concept of PES works but should be presented differently to attract the financial sector.

In China, there are several good practices to secure land tenure, with established centers responsible for forest tenure and forest land. These centers can provide legal services and advice to local farmers, and provide incentives to diversify their source of income (from forestry) and promote reforestation.

An issue common to forest agencies around the world is the lack of funding and turn over in leadership. For example in Peru, the forest department only has 10 million dollars to manage 69 million hectares of forests; and their forest agency staff operates under very short-term contracts (30-45 days, for example).

- **Forest Agencies of the 21st Century: Changing roles & transforming bureaucracies to improve impact**
  - **Doug Konkin - New Model for Forest Governance: The Example of British Columbia (BC)**

BC decided to look into a new model after 100 years of managing multiple land uses by separate agencies (minerals, water, forestry, cultural resources, etc.) which created many challenges (i.e. multiple rules and terms, prescriptive regulation, fragmented data, sluggish public response, etc.). The new Natural Resource Ministry now manages everything from archeology permits to dams, mineral permits, recreation, road management and water use planning. It created a centralized service and client support, an omnibus approach to integrated management of resources at the local level, and is in the process of harmonizing the regulatory framework for more consistent and timely decision making (end of a silo approach). Such an organizational change doesn't happen overnight but the first results are already encouraging.

Discussion

It was recognized that most forest agencies were designed decades, if not a century ago, and that rethinking forest agencies, and the broader question of changing our institutions to better govern our

resources is a critically important topic. The ability to transform forest organizations is essential, especially now that the forest and market sectors have completely changed and that new issues have arisen (i.e. climate change, new pressures on land, etc.)
The omnibus approach adopted in BC is very impressive and inspiring. Even when multiple agencies are involved, how can forest agencies be the point of entry when discussing topics in which forests are involved? One big challenge for a forest agency is shifting from managing its own land to managing land use across ownerships.
In order to support reforms, politicians must be influenced and engaged to give forestry a more prominent role in government bureaucracies.

- **Leslie Weldon - Changing Composition and Culture: Transforming a Forest Organization**

As an organization, the US Forest Service has had to adapt to manage diversified forest and grassland resources in order to promote resilience and a holistic view. A specific focus was put on watersheds (with the development of a Watershed Condition Framework to help prioritize restoration projects), fire management with the creation of a national strategy, and integrated resource restoration.

It also diversified its workforce to reflect the demographics and needs of the society. It has also focused on increasing the connectivity between urban and rural communities and partnership building.

- **Boen M. Purnama - Experience From Indonesia**

The Ministry of Forestry is focusing on conservation, forest protection, and management of schemes for production forests. It is facing many challenges with increasing pressure on forests and land, as well as lack of technical capacity. Some organizational changes have been made to look at watershed management, create a new agency responsible for human resource development, a special center for procurements to enhance good governance, as well as a climate change center. The objective is to build a new organizational culture within the Ministry and strengthen national capacity through global partnerships.

Going Forward

- The annual MegaFlorestais meetings continue to be important to country leaders as no other venue offers this opportunity for candid discussion and exchange of ideas. Leaders have agreed to investigate hosting the next annual meeting of MegaFlorestais in Europe or Indonesia. They welcomed the organization of the meeting in Cameroon in 2014 and were in favor of holding the meeting in the 1st semester of the year.
- A consensus appeared around the need to think about a different and more informal format, as well as the need to strengthen the MegaFlorestais brand.
- This annual meeting started a discussion about how should the forest agencies of the future be: much more discussion and innovative thinking on rethinking the forest agencies and natural resources institutions is needed.
- Building leadership remains critical and continuing to promote the Seminar for the next generation of MegaFlorestais is a priority. The participation of a representative of this seminar in the MegaFlorestais meeting was greeted favorably, and combining both events was also suggested.
- Leaders are committed to sharing experiences between national forest agencies and to continuing to promote exchanges on strategic themes at different levels of agencies.
- All agreed that if funding is available, the Rethinking Forest Regulations Workshop should continue.
- Topics suggested for future annual meetings of MegaFlorestais were:
    - How to strengthen forest policies (move away from command and control and closer to forest development policies)? What are the best practices?
    - How to work with other ministries to have a more integrated approach to forest management? (Forest agencies are often too weak and dependent).
    - What is the best way to form consensus to organizational changes?

MEGAFlorestais 2012 - Santa Fe, USA

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PROGRAMME

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Facilitator:	**Andy White, Coordinator, Rights & Resources Initiative**

Sunday, October 21

HOTEL SANTA FE

19:00	Group Gathering in the lobby / Dinner at the Hotel Santa Fe

Monday, October 22

GLOBAL ISSUES AND TRENDS

8:00-9:00 **BREAKFAST**

SESSION 1 **General Introduction & Orientation to Meeting**

9:00 – 10:00

- Welcome:
  - Andy White, Coordinator, RRI
  - Sally Collins and Tasso Azevedo, MegaFlorestais Co-Chairs
- Introduction to MegaFlorestais: Past activities and outcomes - Sally Collins and Tasso Azevedo (5 min)
- Welcome and Introduction to the Forests of the US Southwest - Tom Tidwell, Chief, US Forest Service, and Corbin Newman, Regional Forester, US Forest Service (20 min)
- Review of agenda, issues to be discussed and Chatham House rule (5 min) - Andy White
- Meeting organization and logistics: Claire Biason (RRI) and James Melonas (USFS)

10:00-10:15 **COFFEE BREAK**

SESSION 2	**Key Events & Critical Shifts in the Last Year**
Chair	*Tasso Azevedo*
10:15-12:30	• Introduction of resource advisors (10 min) • Participants' introductions & Short country presentations (10 min per country)
12:30-13:30	**LUNCH**
SESSION 3	**Scan: Market and Climate Trends Affecting Forestry**
Chair	*Juan Manuel Torres-Rojo, Mexico*
13:30-15:30	• Lou Munden, Chairman, The Munden Project - Living in a "fat tail" world: Implications for investors and forest agencies (20 min + 10 min Q&A) • Don Roberts, Vice Chairman and Managing Director, CIBC World Markets Inc. - Global Trends for Investments in Forests, Forest Products & Energy (20 min + 10 min Q&A) • Group Discussion (60 min)
15:30-15:45	**COFFEE BREAK**
SESSION 4	**Chief Tom Tidwell: How the US Forest Service has Transformed over 100 years**
15:45-16:45	• Introduction by Sally Collins (5 min) • Presentation by Tom Tidwell, Chief, US Forest Service (30 min) • Discussion (25 min)
16:45-19:00	Free time
19:00	**DINNER AT TOMASITA'S**

Tuesday, October 23

NEW CHALLENGES IN A CHANGING WORLD

8:00-9:00	**BREAKFAST**
SESSION 5	**Perspectives of Local People and Industry: Concerns, position & plans**
Chair	*Denis Koulagna, Cameroon*
9:00-10:30	• Vicky Tauli-Corpuz, Executive Director, TEBTEBBA (Indigenous Peoples' International Centre for Policy Research and Education) - Global Perspectives from Indigenous Peoples (20 min + 10 min Q&A) • Avrim Lazar, Private Consultant, Former President of Forest Products Association of Canada - Geopolitical Shifts Affecting Forests, Communities, Industry & Trade (20 min + 10 min Q&A) • Paula Garcia, Executive Director, New Mexico Acequia Association - Land Grant Communities and Acequia[10] Organizations: Rights & challenges (20 min + 10 min Q&A)
10:30-10:45	**COFFEE BREAK**

[10] An acequia is a community-operated waterway used in Spain and former Spanish colonies in the Americas for irrigation. In the United States, the oldest acequias were established more than 400 years ago; many continue to provide a primary source of water for farming and ranching ventures.

SESSION 5	*(Continued)*
Facilitator	*Sally Collins*
10:45-12:00	Group Discussion of sessions to date

12:00-13:00	**LUNCH**

SESSION 6	**Innovative Approaches to Climate Resiliency and Restoration Across Ownerships & Landscapes - Panel 1**
Chair	*Tom Rosser, Canada*
13:00-15:00	• Lou Munden, Chairman, The Munden Project - Innovative Finance to Encourage Forestry & Development (20 min + 10 min Q&A) • Laura Falk McCarthy, Senior Policy Advisor, Fire and Forest Restoration, The Nature Conservancy - Working with the USFS and Meaning of Partnership (20 min + 10 min Q&A) • Group Discussion (60 min)

15:00-15:15	**COFFEE BREAK**

SESSION 7	**Preparation for Field Trip**
15:15-15:45	Preparation for Field Trip - Corbin Newman, Regional Forester, US Forest Service (30 min)
15:45-17:00	Walking Tour of Santa Fe
17:00-19:00	Free Time

19:00	**RECEPTION AND DINNER AT THE HOTEL SANTA FE**

Wednesday, October 24

FIELD TRIP: Santa Clara Pueblo

7:00-8:00	**BREAKFAST – HOTEL SANTA FE**

	Field Trip
8:00–8:40	Meeting in the Lobby - Drive to Santa Clara Pueblo.
8:40-9:00	• Overview of Santa Fe National Forest, Jemez Mountains, and the Las Conchas Fire: ○ Maria Garcia, Forest Supervisor, Santa Fe National Forest

9:00-9:50	• Meet with the Pueblo Governor:
	  ○ Welcome from Pueblo Governor
	  ○ Open meeting with traditional prayer (5 min)
	  ○ Introductions (15 min)
	  ○ Presentation on Santa Clara Pueblo to include economic development, social issues, relationship to natural resources to include impacts from past fires on the reservation (30 min)

9:50-10:10	• Drive to Puye Cliffs - Focus on tribal perspective/history.
10:10-11:20	• Tour of Puye Cliffs:

	○ Stop at Harvey House (30 min) ○ Stop at the top of Puye Cliffs (30 min)
11:20-12:30	• Drive up Santa Clara Canyon and past the second pond to see the fire and flood effects: ○ Stop at the 2nd pond - Oral presentation on forest management projects on SCP and USFS lands (20 min) ○ Field observation at 2nd pond – sediment loading and creek impacts (30 min)
12:30-15:00	• Drive to Santa Clara Senior Center for lunch – Traditional meal ○ Opportunity to visit the elders ○ Governor Dasheno's closing remarks ○ Closing prayer
15:00-17:00	• Discussion: ○ Santa Fe Watershed Presentation – Santa Clara Pueblo Tribal Council Chambers ○ Sandy Hurlocker, Espanola District Ranger, Santa Fe National Forest, US Forest Service ○ Laura McCarthy, Senior Policy Advisor, Fire and Forest Restoration, The Nature Conservancy
17:00-17:30	Drive to Gabriel's Restaurant

17:30 **DINNER AT GABRIEL'S AND DRIVING BACK TO SANTA FE**

Thursday, October 25
PUBLIC FOREST AGENCIES OF THE 21ST CENTURY

8:00-9:00 **BREAKFAST**

SESSION 8	**Innovative Approaches to Climate Resiliency and Restoration Across Ownerships & Landscapes - Panel 2**
Chair	*Antonio Hummel, Brazil*
9:00-10:30	• Andy White, Coordinator, RRI - Tenure Security & the Challenge of Protecting Forests at Scale: The Global Tenure Facility (20 min + 10 min Q&A) • Corbin Newman, Regional Forester, US Forest Service - Restoration, Jobs, Challenges in the South west of the United States (20 min + 10 min Q&A) • Juan Manuel Torres-Rojo, Director General, National Forest Commission, last year's Host - Restoration & Poverty Alleviation Across Landscapes and Communities (20 min + 10 min Q&A)

10:30-10:45 **COFFEE BREAK**

SESSION 8	*(Continued)*
Facilitator	*Sally Collins*
10:45-12:00	• Group Discussion (55 min) • Corbin Newman – Aldo Leopold's Legacy and Working Landscapes in America (10 min) • Introduction to the *Green Fire* documentary and screening of the trailer (10 min)

12:00-13:00 **LUNCH**

SESSION 9 | **Forest Agencies of the 21st Century: Changing roles & transforming bureaucracies to improve impact**

Chair	*Andy White*
13:00-15:00	• Doug Konkin, Deputy Minister, Ministry of Forests, Lands and Natural Resource Operations, Government of British Columbia - New Models for Forest Governance (15 min + 10 min Q&A) • Leslie Weldon, Deputy Chief, US Forest Service - Changing Composition and Culture: Transforming a Forest Organization (15 min + 10 min Q&A) • Boen M. Purnama, Senior lecturer, Institute of Government Administration - Experience From Indonesia (15 min + 10 min Q&A) • Group Discussion (45 min)
15:00-15:15	**COFFEE BREAK**
SESSION 10	**Closing Session**
Chair	*Sally Collins and Tasso Azevedo*

15:15-16:30	• Assessment of MegaFlorestais:
	  ○ Review of the Global Issues in Governing Natural Resources seminar and next steps to include representation at the MegaFlorestais annual meeting
	  ○ Review of the Rethinking Forest Regulations workshop
	  ○ Identify new themes for next workshop
	• Final wrap-up
	• Selection of next host country:
	  ○ Date setting and initial planning
	  ○ Choosing themes and issues: Anticipating next years' challenges

16:30-19:00	Free Time
19:00	**CLOSING DINNER AT PRANZO**

List of Participants

Country	Name	Title	Organization
Mega-Florestais	Sally Collins	Co - Chair	MegaFlorestais
	Tasso Rezende de Azevedo	Co - Chair	
USA	Tom Tidwell	Chief	US Forest Service
	Leslie Weldon	Deputy Chief	
	Alex Moad	Assistant Director	
Brazil	Antonio Carlos Hummel	Director General	Brazilian Forest Service, Ministry of the Environment
	Marcus Vinicius Da Silva Alves	Director	
	Daniel Meireles Tristão	Head of the International and National Cooperation Division	
Cameroon	Denis Koulagna Koutou	Secretary General	Ministry of Forestry and Wildlife
	Victoire Eheth	Director of Cooperation and Programme	
Canada	Tom Rosser	Assistant Deputy Minister	Canadian Forest Service, Natural Resources Canada
	David Nanang	Director General	Great Lakes Forestry Centre, Canadian Forest Service
China	Yongsheng Du	Deputy Commander-in-Chief	Forest Fire Control Headquarters, State Forestry Administration
	Hongyan Zhang	Deputy Director General	Department of International Cooperation, State Forestry Administration
	Hong Qi	Deputy Director General	Department of Policy and Law , State Forestry Administration
	Shaoqing Yuan	Deputy Director General	Department of Forest Resources, State Forestry Administration
	Jiawen Chen	Division Director	Department of Planning and Finance, State Forestry Administration
	Wangxin Xiao	Program Officer	Department of International Cooperation, State Forestry Administration

Indonesia	Boen M. Purnama	Senior lecturer	Institute of Government Administration
	Ahmad Fauzi Masud	Principal Senior Researcher	FORDA, Ministry of Forestry
Mexico	Juan Manuel Torres-Rojo	Director General	National Forestry Commission (CONAFOR)
Peru	Enrique Schwartz Arias	Director	Directorate of Forest Management and Wildlife, Ministry of Agriculture
	Silvia Velásquez Silva	Director	Directorate of Forest and Wildlife Promotion, Ministry of Agriculture
Resource Persons	Doug Konkin	Deputy Minister	Ministry of Forests, Lands and Natural Resource Operations – Government of British Columbia
	Avrim Lazar	President and CEO	Forest Products Association of Canada
	Lou Munden	Chairman	The Munden Project
	Don G. Roberts	Vice Chairman and Managing Director	CIBC World Markets Inc.
	Vicky Tauli-Corpuz	Executive Director	Tebtebba
Rights & Resource Initiative	Andy White	Coordinator	RRI
	Claire Biason	Global Programs Associate	RRI
Santa Fe Organizers & Presenters	Corbin Newman	Southwestern Regional Forester	US Forest Service Southwestern Region
	Gilbert Zepeda	Deputy Regional Forester	
	Karen Carter	Acting Deputy Regional Forester	
	James Melonas	New Mexico State Liaison	
	Dan Meza	Tribal Relations Coordinator	
	Maria Garcia	Forest Supervisor	Santa Fe National Forest US Forest Service
	Sandy Hurlocker	Espanola District Ranger	Santa Fe National Forest US Forest Service
	Paula Garcia	Executive Director	New Mexico NM Acequia Association
	Laura Falk McCarthy	Senior Policy Advisor, Fire and Forest Restoration	The Nature Conservancy